

**RULES
OF
TENNESSEE REAL ESTATE APPRAISER COMMISSION**

**CHAPTER 1255-5
STANDARDS OF PROFESSIONAL PRACTICE**

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1255-5-.01 UNIFORM STANDARDS OF APPRAISAL PRACTICE.

- (1) The Tennessee Real Estate Appraiser Commission adopts by reference the most current edition of the "Uniform Standards of Professional Appraisal Practice" as published in the Federal Register and modified from time to time by the Appraisal Standards Board of the Appraisal Foundation.
- (2)
 - (a) Unless otherwise indicated, the provisions of this chapter shall apply to any person holding a license or certificate as a licensed real estate appraiser, certified residential real estate appraiser, or certified general real estate appraiser in this state.
 - (b) In addition, rule 1255-5-.02 Civil Penalties, paragraphs (2) through (4), shall apply to any person required to hold a license or certificate to engage in the practice of real estate appraisal in this state, regardless of whether such person has actually obtained such license or certificate.
- (3) Unless otherwise provided by applicable law or rule, the holder of a license or certificate as a licensed real estate appraiser, certified residential real estate appraiser or certified general real estate appraiser shall at all times comply with the "Uniform Standards of Professional Appraisal Practice." In performing the acts and services of a real estate appraiser, the appraiser shall conform to the "Uniform Standards of Professional Appraisal Practice" which are in effect at the time the services are performed.
- (4) The appraiser shall state and prominently place on the face of the appraisal report the type of report format utilized.
- (5) The appraiser shall identify all persons providing material assistance in the appraisal report in compliance with the Uniform Standards of Professional Appraisal Practice.
- (6) The appraiser shall sign each written appraisal report relating to real property in this state that he or she prepares, in accordance with the "Uniform Standard of Professional Appraisal Practice." The appraiser shall not affix his or her signature to any written appraisal report relating to real property in this state which was not prepared under the appraiser's direct supervision.
 - (a) An appraisal report will be deemed to have been prepared under the direct supervision of an appraiser only when:
 1. The appraiser supervises and is involved in the preparation of the report and has input into and full knowledge of the report prior to its completion; and
 2. The appraiser has the authority to, and does, make any necessary and appropriate changes to the final report.
- (7) Prior to serving as the sponsor appraiser for a registered trainee, an appraiser shall have obtained a minimum of two (2) years experience as a state certified residential or state certified general real estate appraiser.

(Rule 1255-5-.01, continued)

- (8) Failure to take a course in the Uniform Standards of Professional Appraisal Practice at least once every five (5) years as required by Rule 1255-4-.01(2) constitutes grounds for the revocation, suspension or restriction of any license issued by the Commission and/or the imposition of civil penalties pursuant to Tennessee Code Annotated, Section 62-39-326. Teaching a course in the Uniform Standards of Professional Appraisal Practice will not be considered compliance with this requirement.
- (9) Failure to comply with the "Uniform Standards of Professional Appraisal Practice" constitutes grounds for the revocation, suspension or restriction of any license or certificate issued by the Commission and/or the imposition of civil penalties pursuant to T.C.A. §62-39-326.

Authority: T.C.A. §§56-1-308, 62-39-203, 62-39-204, 62-39-323, 62-39-326 and 62-39-333. **Administrative History:** Original rule filed August 1, 1991; effective September 15, 1991. Amendment filed December 16, 1997; effective March 1, 1998. Amendment filed January 19, 2001; effective April 5, 2001.

1255-5-.02 CIVIL PENALTIES.

- (1) With respect to any license or certificate holder, the Commission, may in addition to or in lieu of any other lawful disciplinary action, assess a civil penalty against such license or certificate holder for each separate violation of a statute, rule or order pertaining to the Commission in accordance with the following schedule:

Violation	Penalty
(a) T.C.A. §62-39-302	\$ 50 - \$1,000
(b) T.C.A. §62-39-317	\$100 - \$1,000
(c) T.C.A. §62-39-323	\$ 50 - \$1,000
(d) T.C.A. §62-39-324	\$ 50 - \$1,000
(e) T.C.A. §62-39-326	\$100 - \$1,000
(f) T.C.A. §62-39-329	\$100 - \$1,000
(g) Rule 1255-5-.01	\$100 - \$1,000
(h) Rule 1255-7-.01	\$ 50 - \$1,000
(i) Commission Order	\$100 - \$1,000

- (2) With respect to any person required to be licensed or certified in this state as a state licensed real estate appraiser, state certified residential real estate appraiser or state certified general real estate appraiser (regardless of whether the person is actually licensed or certified), the Commission may assess a civil penalty against such person for each separate violation of a statute in accordance with the following schedule:

Violation	Penalty
(a) T.C.A. §62-39-103	\$100 - \$1,000
(b) T.C.A. §62-39-105	\$100 - \$1,000

- (3) Each day of continued violation may constitute a separate violation.

(Rule 1255-5-.02, continued)

- (4) In determining the amount of civil penalty to be assessed pursuant to this rules, the Commission may consider such factors as the following:
 - (a) Whether the amount imposed will be substantial economic deterrent to the violation;
 - (b) The circumstances leading to the violation;
 - (c) The severity of the violation and the risk harm to the public;
 - (d) The economic benefits gained by the violator as a result of noncompliance; and
 - (e) The interest of the public.

Authority: T.C.A. §§56-1-308, 62-39-203, 62-39-204, 62-39-308 and 62-39-326. **Administrative History:** Original rule filed December 16, 1997; effective March 1, 1998.